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DEPARTMENT OF COMMERCE

International Trade Administration

[A-580-809]

Circular Welded Non-Alloy Steel Pipe from the Republic of Korea: Preliminary Results and Partial Rescission of Antidumping Duty Administrative Review; 2011-2012

AGENCY: Enforcement and Compliance, formerly Import Administration, International Trade Administration, Department of Commerce

SUMMARY: The Department of Commerce (the Department) is conducting an administrative review of the antidumping duty order on circular welded non-alloy steel pipe (CWP) from the Republic of Korea (Korea).¹ The period of review (POR) is November 1, 2011, through October 31, 2012. This review covers eight producers or exporters of the subject merchandise, Husteel Co., Ltd. (Husteel), Hyundai HYSCO (HYSCO), Dongbu Steel Co., Ltd., SeAH Steel Corporation, A-JU Besteel Co., Ltd., Kumkang Industrial Co., Ltd., Nexteel Co., Ltd., and Union Steel Co., Ltd. We have preliminarily found that HYSCO has made sales of the subject merchandise at prices below normal value, and that Husteel did not make sales of subject merchandise at prices below normal value. We are rescinding this review for the other six producers or exporters. Interested parties are invited to comment on these preliminary results.

EFFECTIVE DATE: (Insert date of publication in the *Federal Register*.)

FOR FURTHER INFORMATION CONTACT: Mary Kolberg, or Jennifer Meek, AD/CVD Operations, Office I, Enforcement and Compliance, International Trade Administration, U.S. Department of Commerce, 14th Street and Constitution Avenue, NW, Washington DC 20230; telephone (202) 482-1785 or (202) 482-2778, respectively.

¹ See *Initiation of Antidumping and Countervailing Duty Administrative Reviews and Request for Revocation in Part*, 77 FR 77017 (December 31, 2012).

Scope of the Order

The merchandise subject to the order is circular welded non-alloy steel pipe and tube. The product is currently classifiable under the following Harmonized Tariff Schedule of the United States (HTSUS) numbers: 7306.30.1000, 7306.30.5025, 7306.30.5032, 7306.30.5040, 7306.30.5055, 7306.30.5085, and 7306.30.5090. Although the HTSUS numbers are provided for convenience and customs purposes, the written product description, available in the Memorandum from Gary Taverman, Senior Advisor for Antidumping and Countervailing Duty Operations, to Ronald K. Lorentzen, Acting Assistant Secretary for Enforcement and Compliance, “Decision Memorandum for the Preliminary Results of Antidumping Duty Administrative Review: Circular Welded Non-Alloy Steel Pipe from the Republic of Korea” dated concurrently with this notice (Preliminary Decision Memorandum).

Partial Rescission of Administrative Review

Pursuant to 19 CFR 351.213(d)(1), we are rescinding this administrative review with respect to the following parties because the review requests were timely withdrawn: Dongbu Steel Co., Ltd., SeAH Steel Corporation, A-JU Besteel Co., Ltd., Kumkang Industrial Co., Ltd., Nexteel Co., Ltd., and Union Steel Co., Ltd.

Methodology

The Department has conducted this review in accordance with section 751(a)(2) of the Tariff Act of 1930, as amended (the Act). Constructed export price is calculated in accordance with section 772 of the Act. Normal value is calculated in accordance with section 773 of the Act.

For a full description of the methodology underlying our conclusions, *see* Preliminary Decision Memorandum, which is a public document and is on file electronically *via* Enforcement

and Compliance's Antidumping and Countervailing Duty Centralized Electronic Service System (IA ACCESS), and is hereby adopted with this notice. Access to IA ACCESS is available to registered users at <http://iaaccess.trade.gov> and is available to all parties in the Central Records Unit, room 7046 of the main Department of Commerce building. In addition, a complete version of the Preliminary Decision Memorandum can be accessed directly on the Internet at <http://enforcement.trade.gov/frn/index.html>. The signed Preliminary Decision Memorandum and the electronic versions of the Preliminary Decision Memorandum are identical in content.

Preliminary Results of the Review

As a result of this review, we preliminarily determine that the following weighted-average dumping margins exist for the respondents for the period November 1, 2011, through October 31, 2012.

| Producer or Exporter | Weighted-Average Dumping Margin (Percent) |
|-----------------------|--|
| <hr/> | |
| Husteel Co., Ltd..... | 0.00 |
| Hyundai HYSCO..... | 3.39 |

Disclosure and Public Comment

The Department intends to disclose to interested parties the calculations performed in connection with these preliminary results within five days of the date of publication of this notice.² We plan on conducting verification of Husteel's sales responses after these preliminary results. Therefore, interested parties may submit written comments (case briefs) for this administrative review no later than one week after the issuance of the Husteel's verification

² See 19 CFR 351.224(b).

report, and rebuttal comments (rebuttal briefs) within five days after the time limit for filing case briefs. Parties who submit case briefs or rebuttal briefs in this proceeding are encouraged to submit with each argument: (1) a statement of the issue; (2) a brief summary of the argument; and (3) a table of authorities.³ Case and rebuttal briefs should be filed using IA ACCESS.⁴

Pursuant to 19 CFR 351.310(c), interested parties who wish to request a hearing, or to participate if one is requested, must submit a written request to the Assistant Secretary for Enforcement and Compliance, filed electronically via IA ACCESS. An electronically filed document must be received successfully in its entirety by the Department's electronic records system, IA ACCESS, by 5 p.m. Eastern Standard Time within 30 days after the date of publication of this notice.⁵ Requests should contain: (1) The party's name, address and telephone number; (2) the number of participants; and (3) a list of issues to be discussed. Issues raised in the hearing will be limited to those raised in the respective case briefs. The Department will issue the final results of this administrative review, including the results of its analysis of the issues raised in any written briefs, not later than 120 days after the date of publication of this notice, pursuant to section 751(a)(3)(A) of the Act.

Assessment Rates

For Husteel and HYSCO, upon issuance of the final results, the Department shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries covered by this review. Husteel and HYSCO reported the name of the importer of record and the entered value for all of their sales to the United States during the POR. If Husteel and HYSCO's weighted-average dumping margins are not zero or *de minimis* (*i.e.*, less than 0.50 percent) in the final results of this review, we will calculate importer-specific

³ See 19 CFR 351.309(c)(2) and (d)(2).

⁴ See 19 CFR 351.303.

⁵ See 19 CFR 351.310(c).

assessment rates on the basis of the ratio of the total amount of dumping calculated for each importer's examined sales and the total entered value of those sales in accordance with 19 CFR 351.212(b)(1).

We will instruct CBP to assess antidumping duties on all appropriate entries covered by this review when the importer-specific assessment rate calculated in the final results of this review is not zero or *de minimis*. Where either the respondent's weighted-average dumping margin is zero or *de minimis*,⁶ or an importer-specific assessment rate is zero or *de minimis*, we will instruct CBP to liquidate the appropriate entries without regard to antidumping duties.

The Department clarified its "automatic assessment" regulation on May 6, 2003. This clarification will apply to entries of subject merchandise during the POR produced by Husteel and HYSCO for which they did not know its merchandise was destined for the United States. In such instances, we will instruct CBP to liquidate unreviewed entries at the all-others rate if there is no rate for the intermediate company(ies) involved in the transaction. For a full discussion of this clarification, see *Antidumping and Countervailing Duty Proceedings: Assessment of Antidumping Duties*, 68 FR 23954 (May 6, 2003).

For Husteel and HYSCO, we intend to issue instructions to CBP 15 days after publication of the final results of this review.

For the rescinded companies, antidumping duties shall be assessed at rates equal to the rates for the cash deposit of estimated antidumping duties required at the time of entry, or withdrawal from warehouse, for consumption, in accordance with 19 CFR 351.212(c)(1)(i). The Department intends to issue appropriate assessment instructions to CBP 15 days after the date of publication of this notice.

⁶ See *Antidumping Proceedings: Calculation of the Weighted-Average Dumping Margin and Assessment Rate in Certain Antidumping Duty Proceedings; Final Modification*, 77 FR 8101, 8102 (February 14, 2012).

Cash Deposit Requirements

The following cash deposit requirements for estimated antidumping duties will be effective upon publication of the notice of final results of administrative review for all shipments of CWP from Korea entered, or withdrawn from warehouse, for consumption on or after the date of publication as provided by section 751(a)(2) of the Act: (1) the cash deposit rate for HYSCO and Husteel will be equal to the weighted-average dumping margins established in the final results of this administrative review; (2) for merchandise exported by producers or exporters not covered in this review but covered in a prior completed segment of the proceeding, the cash deposit rate will continue to be the company-specific rate published for the most recent period; (3) if the exporter is not a firm covered in this review, a prior review, or the original investigation but the producer has been covered in a prior complete segment of this proceeding, the cash deposit rate will be the rate established for the most recent period for the producer of the merchandise; (4) the cash deposit rate for all other producers or exporters will continue to be 4.80 percent, the “all others” rate established in the order.⁷ These cash deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as a preliminary reminder and, with respect to companies which we rescind in part as a final reminder, to importers of their responsibility under 19 CFR 351.402(f)(2) to file a certificate regarding the reimbursement of antidumping duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary’s presumption that reimbursement of antidumping duties occurred and the subsequent assessment of double antidumping duties.

⁷ See *Notice of Antidumping Duty Orders: Certain Circular Welded Non-Alloy Steel Pipe from Brazil, the Republic of Korea (Korea), Mexico, and Venezuela, and Amendment to Final Determination of Sales at Less Than Fair Value: Certain Circular Welded Non-Alloy Steel Pipe from Korea*, 57 FR 49453 (November 2, 1992).

The Department is issuing and publishing these results in accordance with sections 751(a)(1) and 777(i)(1) of the Act.

Ronald K. Lorentzen
Acting Assistant Secretary
for Enforcement and Compliance

____December 18, 2013_____
(Date)

Appendix

List of Topics Discussed in the Preliminary Decision Memorandum

Comparison to Normal Value

- A. Determination of Comparison Method
- B. Results of the Differential Pricing Analysis

Product Comparisons

Treatment of Grade as a Physical Characteristic

Level of Trade/Constructed Export Price Offset

Constructed Export Price

Normal Value

- A. Selection of Comparison Market
- B. Affiliated Party Transactions and Arm's Length Test
- C. Cost of Production
 - 1. Calculation of Cost of Production
 - 2. Test of Comparison Market Sales Prices
 - 3. Results of the COP Test
- D. Constructed Value
- E. Calculation of Normal Value Based on Comparison Market Prices

Currency Conversion